



MEMORANDUM
10 APRIL 2004

TO: BOARD OF DIRECTORS

FROM: DAVID MERRITT

RE: RUEDI RESERVOIR AND FRYING PAN RIVER ISSUES

With the completion of the Interim 2012 Contract with the CWCB for Release of 10,825 acre feet to the 15 Mile Reach the USBR has finally reopened the contracting process for the balance of the available water under Round II of the Ruedi contracting process. This makes an additional 10,635 acre feet of contract water available. We have applied to purchase 5,000 acre feet of this supply, in two separate contracts of 2,000 and 3,000 acre feet, on an annual contract basis, which will amount to approximately \$350,000/year. While this is indeed a significant investment, it positions the Water Marketing program of the River District very well to deal adequately with future West Slope water demands. The supplies provided by this water repayment contract, in conjunction with our current Wolford and Eagle River supplies, will allow us to address much of the demands projected in the middle Colorado River Basin over the next 20 years, as well as have the flexibility to respond to drought events that may recur.

The news on the Frying Pan this year is similar to the other basins; while Ruedi Reservoir nearly filled last year, getting to a storage level of over 97,000 acre feet (capacity is 102,000 acre feet), it is down to 62,700 presently, and the forecast is only for 57% of average. While providing almost all of the 20,825 acre feet of water committed to the Recovery program, it still finished the water year with about 72,000 acre feet in storage, 30,000 acre feet more than last year, and currently has 62,600 acre feet in storage.

The winter baseflow of 85 cfs was recently reduced to the Instream Flow level of 40 cfs, in effort to conserve storage. Approximately 10,000 acre feet was used this winter in maintaining an optimum winter flow, as compared to meeting the ISF of 40 cfs or inflow. This is largely the result of the USBR agreeing to consider the findings of both the Economic Study and the Fishery Study in future operational changes. These studies were the results of collaborative efforts among the Roaring Fork

Conservancy, the River District, the Ruedi Water and Power Authority, and the Homestake Partners, and were coordinated by the Roaring Fork Conservancy and will continue into the future. As we move toward 2019, a date by which Ruedi Reservoir must be repaid, we need to be able to articulate how we wish to see Ruedi operated in the future, and how we will secure repayment to the Federal Government for the Reservoir.

Reclamation is concerned over Ruedi operations this year. With the Shoshone Power Plant and Power Call off, the impacts of a Cameo Call could rebound up the Roaring Fork River, and impact the Frying Pan-Arkansas Project. Normally, even in extreme dry years, Boustead Tunnel diversions are called out by the bypass requirements at the points of diversions, rather than by the Cameo Call. However, if the Cameo Call comes on early, when there is still divertable water to the Boustead Tunnel, it will necessitate augmentation releases from Ruedi Reservoir, as well as the bypass of what would be storable inflow to Ruedi Reservoir. Combined with the low forecast, USBR is currently contemplating reducing the amount of water available to the Recovery Program by 5,000 acre feet. Depending upon call scenarios, they believe that they may finish the season with as little as 30,000 to 40,000 acre feet of water in Ruedi Reservoir.